

1 Q. **Reference: Evidence on Rate Stabilization Plan – Surplus Refund Plan**

2 The policies regarding automatic changes in rural rates, as directed by the Provincial
3 Government and reflected in Section 16 of Hydro’s Rules and Regulations, are
4 stated to take effect upon changes in Newfoundland Power rates. Orders in Council
5 OC2013-089, OC2013-090, and OC2013-091 specify that the refund of the
6 Newfoundland Power RSP surplus “shall not be in the form of an electricity rate
7 adjustment”. How do these provisions respecting Rural rates justify a refund to any
8 of Hydro’s Rural customers of a portion of the Newfoundland Power RSP surplus?

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11 A. Please see Hydro’s response to SR-NP-NLH-038.